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Hypercube Telecom, LLC Presentation
WC Docket 10-90, *et al.*

August 31, 2011

Direct or indirect IP interconnection under Section 251(a) should be mandated:

- Would promote IP interconnection consistent with the National Broadband Plan.
- Would help eliminate obstacles in VoIP/TDM conversion, obstacles that materially hinder progress toward all-IP networks.
- Would enable commercial network bridge providers to facilitate indirect IP interconnection wherever direct IP interconnection is not available or is less efficient.
- Would result in cost savings and accelerate the nation's transition to broadband and VoIP services.

FCC has authority to mandate IP interconnection:

- Can mandate IP interconnection on all providers under § 251(a)(1), as well as 201(a) and 256(a).
- Can impose IP interconnection on CAF recipients under § § 254(b) and 706 by contract as a condition of award of funds.

Efficient dispute resolution process is needed:

- Multi-state disputes resolved by FCC.
- Single-state disputes resolved by States under a process similar to § 252(b), including mediation and compulsory arbitration.

Fresh look mandates to existing negotiated commercial intercarrier agreements are unnecessary:

- The parties to such agreements are sophisticated carriers with full awareness that substantial changes to the regulatory regime governing ICC were imminent.
- The parties themselves had an opportunity to agree to fresh-look triggers as part of the commercial negotiations, but they chose to bargain for other provisions and thereby made their election.
- These sophisticated carriers are competent and therefore capable of having negotiated change-of-law contract clauses whose scope included ICC reform.
- These agreements have limited terms and their own triggers for termination and re-negotiation.

Parity must remain a central theme in the new rules:

- The FCC should require all providers to recognize and route using the LERG unless alternative arrangements are made through commercial agreements and advanced technologies such as carrier ENUM.

Revenue sharing is *not* the problem:

- Does not in itself alter end user calling.
- Is a marketing tool that encourages the use of new competitive alternatives.
- Is inherent in capitalism; exists even within FCC procedures (e.g., incentive auctions) and traditional ILEC products (e.g., payphones).

Neither traffic imbalances nor sudden shifts in traffic volumes is solely the result of access stimulation:

- Many traditional products generate traffic imbalances (e.g., WATS).
- New services and new service providers generate sudden shifts in traffic.

Access stimulation is different:

- Actually alters end user calling frequency or call duration.
- Typically involves inappropriate use of high rural rate regimes.

The rules must address the problem while not interfering with legitimate market forces and behaviors:

- The problem is largely a product of excessive access rates at the terminating end of a call.
- Revenue-sharing tests would be discriminatory because vertically-integrated firms achieve the same result through means not available to the smaller, non-vertically-integrated.

The rules must not introduce inefficiencies or unnecessary burdens:

- A rule forcing CLECs to re-file tariffs that already meet benchmark rates is not efficient for the FCC or the CLEC, and doesn't solve the problem.
- Various ratio tests do not take into account the real world (e.g., independent payphone operators, non-vertical LD carriers, calling-card platforms, call centers, alerting services, etc.).

The phantom-traffic problem must be addressed:

- Phantom traffic is a form of inefficient subsidy that has become disruptive to the market.
- Phantom traffic exists because adherence to standards and practices are optional rather than mandatory.

New rules to combat phantom traffic do not have to be highly-disruptive to be effective:

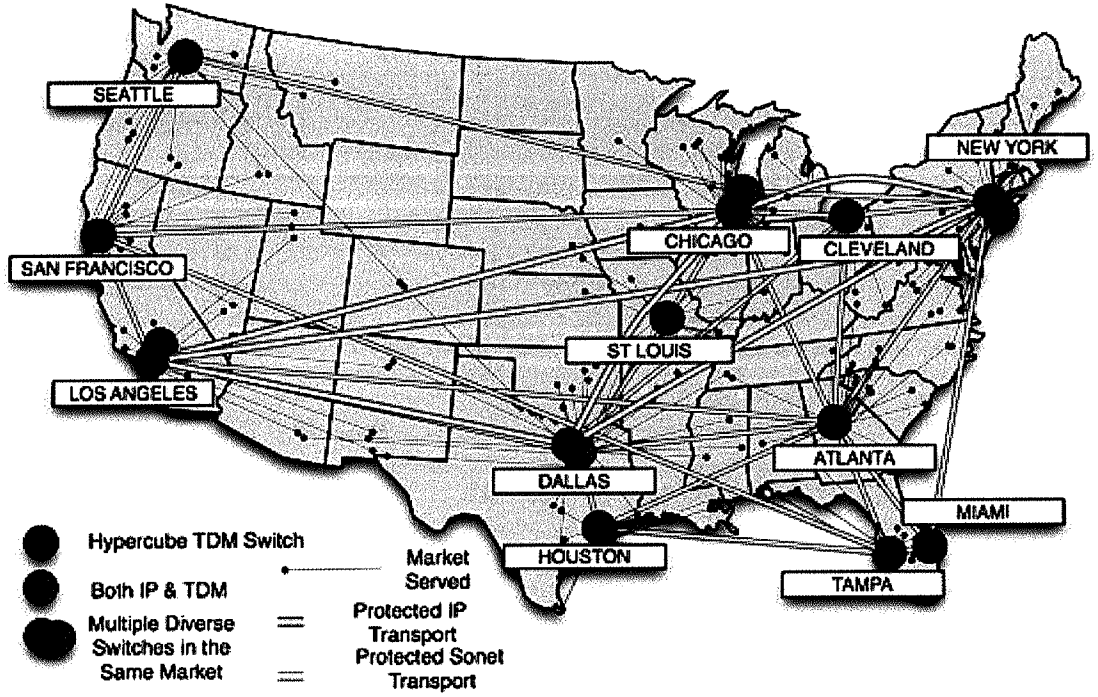
- JIP is already an accepted industry field and should be mandated wherever technically feasible.
- Alternative proposals, such as the mandated passing of CIC or OCN along with Entry/Exit Surrogate ("EES") would help.

HyperCube

TRUSTED SOLUTIONS FOR CONVERGING MARKETS

Platform Capable of Transporting Any Type of Traffic

Through direct network interconnections, HyperCube has the capability of customizing the handling and delivery of calls based on originating and terminating providers' choices. HyperCube also has the ability to transform the calls received into the protocol required by the terminating provider.



- TDM and IP network capable of transporting any type of traffic while maintaining routing, jurisdiction and critical call information intact to the destination.
- Operates optical backbone between all switches and reaches most destinations utilizing an optical transport system.
- Provides real-time traffic analysis and visibility to carriers using a web-based application. For many carriers, it is their first analysis of certain types of traffic leaving their networks.
- Optical IP and TDM backbones, Multiple Internet connections
- Switch diversity in multiple markets to support customers and network.
- Diverse SS7 interconnections to Hypercube switches.
- Network is organized for total cost and traffic inter-exchange efficiency.
- Network composed of many switches and multiple transport systems.

Hypercube enables the interconnection of all types of telecommunications providers and their networks, from traditional TDM to next generation of intelligent and packet networks.